Report of Leland Initiative S.O.3 Team Exploratory Visit to Uganda

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Background

The purpose of the visit by the Leland S.O.3 team to Uganda was to investigate the potential for Leland Initiative activities in Uganda. The Leland Initiative is a five-year, $15 million USAID activity bringing full Internet connectivity to 20 or more African nations. The initiative's three strategic objectives (SOs) support fast-paced sustainable development by establishing an Internet-friendly policy environment (SO1); promoting a sustainable supply of Internet services (SO2); and developing a dynamic and growing user base capable of using the Internet (SO3). The Leland S.O.3 team sought an introduction to Ugandan telecommunications policy status, the Internet Service Provider industry status, and potential Internet end user applications from the viewpoint of USAID Strategic Objective teams and major USAID/Uganda projects.

Findings

Leland S.O.1, Policy - Uganda has what can be considered one of the more favorable policy environments for Internet access in sub-Saharan Africa. The Government of Uganda (GOU) is pursuing an aggressive strategy of liberalization and partial privatization of the until now state monopoly of the telecommunications sector. Ugandan Post and Telecommunications Corporation (UP&TC) is due to issue a Second National Operator license for nationwide telecommunications services to a private sector provider in June or July 1997. Strict conditions are set up to dictate expected investment levels and the extension of telecommunications services to targeted rural areas. At the same time, several new minor licenses are expected to be issued, including up to three new licenses for cellular service. The partial privatization of UP&TC to form Ugandan Telecom is scheduled to be complete by the end of 1997. An independent regulatory commission, established with the help of the international consulting firm Booz, Allen and Hamilton, will monitor the privatization and the ensuing telecommunications market. The head of the Privatization Unit in UP&TC reported that there will be no interference with the private sector provision of Internet services, that this can be considered a free, open and private market free from central government interference.

Two telecommunications policy issues present themselves as obstacles to greater Internet access and use in Uganda: 1) local telephone rates are time metered so that unlimited, dial up Internet access for a flat fee from an Internet Service Provider (ISP) can be deceptively expensive   one s telephone bill can greatly exceed the monthly ISP subscription fee; and 2) the duty on imported computers and related technologies is around 35 percent, so computer prices, which are already extremely high in a country with an extremely low per capita income, are made all the more unreasonable.

Leland S.O.2, Internet Service Provider Industry - The Leland S.O.3 team was able to meet with the three providers of full Internet access in Uganda, STARCOM, InfoMail and Swift Global, as well as with providers of Internet Email services, Infoma and BushNet. Brief notes on the individual discussions with these companies and organizations are provided at the end of this report.

The ISP industry in Uganda can be considered healthy and competitive. The two major ISPs, STARCOM and InfoMail, both operate 128 kbps VSAT gateways. Swift Global currently operates a 64 kbps gateway via a dedicated line, though they have also applied for a license for a VSAT network. When asked about the how Leland S.O.2 resources could best be applied within Uganda, the ISPs voiced the following recommnedations: a) provide training for ISP technical staff; b) invest in building the telecommunications infrastructure in rural areas; and c) build in redundancy between existing ISPs to provide for a more fail safe provision of Internet services. The matrix below summarizes important information about the providers listed.

Name	Number Employees	Invested Capital	Email	WWW	Page Dev.	Site Host	Number Subscribers	Fees Reg. Email Email/month Reg. WWW WWW/mon.
STARCOM	70	$10 million (overall corporate services)	–	–	–	–	550	$30 $30 $50 $65
InfoMail	12	$300,000 (Internet services only)	–	–	–	–	800	$29.50 $30 $50 $65
Swift Global	25	n/a	–	–	–	–	25	$30 $30 $50 $69
Infoma	8	n/a	–		–		300	$30 $30-$50 n/a n/a
BushNet	10	$100,000	–				0	$1,000 n/a n/a n/a

Users gave mixed reviews of the various services available. Many expressed concern about

technical support services available through their service providers. They also reported that training from ISPs was inadequate and not tailored to development applications, focusing instead on basic technical training needs.

The Leland S.O.3 team was also informed by several Internet end users that a national chapter of the Internet Society was being formed and that an official charter would soon be received. This chapter will likely provide important interpersonal networking services and will strengthen awareness and user skills. Finally, the assessment team heard that Africa Online, a growing ISP in the African continent with offices in Kenya, Cote d Ivoire and Ghana, has approached STARCOM in an attempt to purchase STARCOM s Internet services division.

Leland S.O.3, End User Applications

Strategic Objective Team Meetings

S.O.1, Economic Growth - The Economic Growth team has several partners that have expressed great interest in using the Internet to achieve their objectives. The new project PRESTO has three main objectives: micro enterprise finance; Business Association strengthening; and policy reform. There are opportunities for developing an MIS system with financial intermediaries, provision of information to member through the associations and need for networking and discussion in the policy regulation arena. All these activities could benefit from potential Internet applications. The Capital Markets Initiative is interested in setting up a Ugandan Stock Market Web Page and is seeking technical assistance in web page development, HTML training, etc. The Ugandan Investment Authority sees the Internet as a tool for promoting Uganda and facilitating outside investment. There was a representative from the IDEA project which is promoting non traditional exports, is currently using the Internet to gather some information for its weekly bulletins but sees further opportunity to use it more extensively particularly through linkage with clients and potential abroad. There was discussion about workshops and training for these areas and whether Leland could provide this training.

S.O.2, Environment - At this team meeting project representatives were present from the ACTION Program and the National Environment Management Authority. This Team, similar to others, are trying to design and develop projects that will work effectively within the new decentralization policies. They are looking at ways to effectively communicate with District Coordinators/Environment Officers. Currently these officers feed information into NEMA and vice versa, however this is a slow process. Though the district offices have computers, more training is needed. Their goal is to connect 6 districts in a pilot connectivity project. They all agreed that their greatest need is for District connectivity. If Leland could focus on getting connection out to the regions they see tremendous opportunities for the environmental sector.

S.O.3, Education - Education Project assistance is provided through the SUPER project in the areas of teacher training, primary teacher education, in-service training programs, management training and community mobilization. Non project assistance is given through budgetary support to the Ugandan government in contributing to education reform. This is primarily in the provision of textbooks to all primary schools and in the improvement of teacher's salaries. Last year the

Ugandan government announced universal primary education and this has changed the focus to increasing access to education. Decentralization has affected the education system dramatically. They have created an open and transparent budgetary process all the way from the Ministry to the school level. The World Bank is funding capacity building support to the Ministry, including an MIS system, and the provision of computers. All donors are providing support at the district levels.

S.O.4, Stabilize Health Status for Ugandans - The Health Team has an integrated health approach, however with a strong emphasis on reproductive health issues, including family planning, STDs and HIV AIDS. The DISH project is their largest implementor with Pathfinder as the lead contractor. Pathfinder is working with the Ministry of Health to develop a Health Management Information System. Futures Group is running the social marketing project and making great strides in developing an inventory system with links to the Central Medical Store. Great strides have been made in managing the supply and demand of contraceptive supplies to the regions. They also work with JHPIEGO, AVSC, CARE and many local NGOs. TASO is the local AIDS support organization for the community level. With funding from CDC they are developing an MIS system. The AIDS Information Center is also supported by CDC.

S.O.5, Democracy and Governance - The DG team has just been through a redesign of their program and they will be focusing on two areas, namely parliamentary capacity building and local governance in relation to decentralization. They are currently supporting the Law Reform Commission in the collection of all laws and regulations to be published in multiple volumes for distribution to regional, district and central courts. There is currently no written collection of these laws and regulations in the country. These volumes will be printed but there is also recognition of the possibility to make these available in electronic form for the Internet and on CD ROM. Since this project just started it is too early to determine how electronic access could be provided. The Minister of Justice has expressed his desire to have this information available on the Internet. In building the capacity of the Parliament there will be a focus on training on procedures, creating recording system for decisions made, understanding the budgetary process, as well as developing a research service capacity for Parliamentary members.

Next Steps

We recommend that additional Leland S.O.3 assessments be performed in conjunction with an Internet demonstration, awareness building, and training exercise. Leland Initiative teams have developed and conducted training in the following general topics:

        Introduction to the history, structure and tools of the Internet
        Equipment, software and resources needed for connectivity
        The role of information access and communication in sustainable development
        The Internet as a communication tool
            Email
            Discussion groups (LISTSERV)
            Chat

Internet fax, phone and video-conferencing services
FTP - file transfer protocol
The Internet as a research tool
Search engines and strategies
Extensive hands-on practice searching
The Internet as a distance learning tool
Internet based training sites
Educational and professional development resources
The Internet as a publishing tool
Introduction to WWW page development and HTML
WWW publishing tools
The role of the Internet as a networking tool within Ethiopia, within Africa and globally
Strategy development for sharing and dissemination of information
Cost effective ways to use the Internet
Effective searching
Proxy server
Offline use of email and Internet
Keeping up with the fast pace of technology
Dealing with information overload
Judging the quality of Internet information
Strategies for introducing Internet in an organization
Developing Institutional Information and Communication Strategies
Developing an action plan for introducing Internet
Awareness building
Training
Sustainability issues
Creating Internet user groups